



EDITORIAL

Investing In Our City

By Margaret Chin

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New York City faces the largest budget crisis in a generation. Right now, we see only its outlines. We hear proposals to close libraries and senior centers and cultural groups; to shut down day cares centers and after-school programs; to cut school nurses and close fire companies. With these programs threatened, New Yorkers have risen up to defend our communities.

And I stand with them in fighting to preserve these essential programs. We can preserve some of them by eliminating expensive outside contracts and curb inefficiencies. But even these savings won't be enough. So we need to ask a simple question: is it really true that our only option is to make impossible choices between cuts to these essential services? Downtown, is it really true that we have to decide between closing after school programs and closing firehouses; between educating our children and keeping our community safe?

Mayor Bloomberg would have you believe there is no other way. But by refusing to discuss revenue-generating options, the Mayor presents us with a tragic false choice: a choice that will have devastating consequences across the city.

At stake are services vital to Lower Manhattan. 20 firehouses are supposedly threatened, including Engine 4 and Ladder 8 Downtown. We can't afford to cut firehouses anywhere in New York City – but especially here. Lower Manhattan remains a top terror target and our fire companies, including the Mass Decontamination Unit in Engine 4, remain our first line of defense against attack. The tragic 7-alarm fire on Grand Street that left 200 people homeless and one dead only confirms our need.

Not only fire houses, but also after-school programs kids rely on every day are on the chopping block. The Mayor has proposed cutting the I.S. 89 after-school program, which provides over 200 kids with science, math and arts instruction. Cutting this program is unfair and misguided: unfair because these students are forced to bear the entire brunt of the budget cuts; misguided because the criteria with which they deem areas "low-priority" lumps poorer students in with the better off.

This isn't about "tough choices." Anyone who lives in this community will agree that these cuts are unacceptable. Cuts to these vital programs also mean layoffs. That's why we have to think creatively, and broadly, about how to keep our communities strong. We have to expand the conversation to include revenue generating solutions — including closing the tax loophole currently enjoyed by hedge funds and raising the income tax by less than 1% for those who make \$250,000 or more. A more progressive income tax structure will ensure future revenue for essential core services.

It's also the fair thing to do: Lower and Middle Income New Yorkers actually pay a higher percentage of their income than the top 1%, because our somewhat progressive income tax is offset by our regressive sales tax. And nearly 80 percent of income growth in New York City in the last decade has gone to the wealthiest 5 percent of taxpayers. I call on Washington to pass the legislation moving through Congress that would close this hedge fund loophole, and I call on the Mayor to lobby Albany to make our tax structure more progressive.

Mayor Bloomberg argues that rich New Yorkers will just flee the city. But history and economics aren't on his side. From 2003-2005, when Mayor Bloomberg imposed a temporary income tax surcharge on the City, not only did wealthy individuals stay — even more flocked to the city. And unlike during the 1970s, when the city was forced to enact severe budget cuts and Wall Street had collapsed, today Wall Street is booming again (with help from the taxpayer bailout) and New York has reclaimed its place as the financial and cultural capital of the world. Far from fleeing the city, wealthy residents are moving here in droves — especially to Lower Manhattan — and they will continue to do so.

We can't let the Mayor dictate the false choice of choosing to save some essential services and not others. The real choice is about our priorities as a City. Do we want to ask all New Yorkers to pay their fair share, to invest in our city to keep our communities strong? Or do we want to impose cuts that will disproportionately hurt lower and middle-income families — the families that depend on city services the most? For the future of our city, let's stand together to make the right choice.

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